

BEFORE THE
INDEPENDENT CITIZENS' OVERSIGHT COMMITTEE
TO THE CALIFORNIA INSTITUTE FOR REGENERATIVE MEDICINE
ORGANIZED PURSUANT TO THE
CALIFORNIA STEM CELL RESEARCH AND CURES ACT
SPECIAL MEETING

LOCATION: MIYAKO HOTEL
1625 POST STREET
SAN FRANCISCO
AND OTHER TELEPHONIC
SITES AS NOTICED

DATE: WEDNESDAY, MAY 2, 2007

REPORTER: BETH C. DRAIN, CSR
CSR. NO. 7152

BRS FILE NO.: 78458

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ROLL CALL		5
CONSIDERATION OF APPOINTMENT OF REAL ESTATE MEMBER AS CHAIR OF THE FACILITIES WORKING GROUP		8
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1 SAN FRANCISCO, CALIFORNIA; WEDNESDAY, MAY 2, 2007

2 07:05 A.M.

3

4 CHAIRMAN KLEIN: THANK YOU ALL FOR A VERY
5 GOOD, TIMELY, EARLY MORNING START. I'D LIKE TO GO
6 THROUGH THE PROTOCOLS FOR THIS MORNING SO THAT WE CAN
7 ALL BE ON THE SAME PLATFORM AS WE GO THROUGH THIS
8 AGENDA. HOPEFULLY WE WILL ACCOMMODATE THE PROPER
9 DISCUSSION AND BE THROUGH THE AGENDA IN APPROXIMATELY
10 AN HOUR BECAUSE IMMEDIATELY AFTER THIS SESSION THE
11 FACILITIES WORKING GROUP STARTS ITS ALL-DAY SESSION
12 TODAY AND THEN TOMORROW AS WELL DEALING WITH THE SHARED
13 LABS APPLICATIONS.

14 GOOD MORNING. AND WE HAVE A QUORUM THIS
15 MORNING. WE WILL PROCEED TO ACTUALLY GO THROUGH AND
16 TAKE ROLL IN JUST A MINUTE. WHILE WE'RE WAITING TO SEE
17 IF ANY LAST MEMBERS JOIN, WE HAVE MORE THAN A QUORUM,
18 WE WOULD LIKE TO EMPHASIZE THAT PROCEDURALLY WE WILL
19 HAVE PUBLIC COMMENT BEFORE EACH VOTE IS TAKEN. PLEASE
20 LIMIT THE PUBLIC COMMENTS TO THREE MINUTES.

21 WE HAVE A SOLID AGENDA TO GO THROUGH.
22 BECAUSE WE HAVE SO MANY PHONE STATIONS OR SITES, GIVEN
23 THE EXPERT RECOMMENDATION OF DR. OS STEWARD, WE WILL
24 FOLLOW A PROTOCOL WHERE WHEN WE GO TO THE COMMENT STAGE
25 ON ANY ITEM, I WILL ASK FOR ALL THOSE WHO WISH TO

1 SPEAK. THOSE PEOPLE WILL STATE THEIR NAMES, WE WILL
2 MAKE A LIST OF THOSE NAMES, I WILL THEN GO THROUGH THAT
3 LIST INSTEAD OF TRYING TO GO SITE-BY-SITE NOT KNOWING
4 WHETHER THERE'S SOMEONE FROM THAT SITE WHO WISHES TO
5 SPEAK OR NOT. AFTER WE HAVE DONE THE BOARD COMMENTS,
6 WE WILL ASK IF THERE'S PUBLIC WHO WANT TO SPEAK. WE
7 WILL TAKE A LIST OF THOSE INDIVIDUALS AND GO THROUGH
8 THAT LIST AS WELL. SO HOPEFULLY THAT WILL KEEP US WELL
9 ORGANIZED.

10 WE WILL BEGIN BY SOME OPENING COMMENTS, AND
11 WE WILL THEN GO INTO AN EXECUTIVE SESSION ON PERSONNEL.
12 THEN WE'LL COME BACK INTO OPEN SESSION, AND THEN WE'LL
13 HAVE AN OPEN-SESSION DISCUSSION OF THE PUBLIC
14 FACILITIES MEETING PROPOSAL. WE WILL REPORT ANY ACTION
15 TAKEN IN THE EXECUTIVE SESSION.

16 MS. SAMUELSON: BOB, QUESTION FROM JOAN.
17 COULD YOU OR MELISSA IDENTIFY WHAT DOCUMENTS WE SHOULD
18 HAVE IN FRONT OF US?

19 MS. KING: YES. THERE ARE TWO DOCUMENTS.
20 ONE IS THE AGENDA FOR THE MEETING TODAY, AND THE OTHER
21 IS A BIOGRAPHY IF DAVID LICHTENGER, A REAL ESTATE
22 MEMBER OF THE FACILITIES WORKING GROUP AND A CANDIDATE
23 FOR CHAIR OF THAT GROUP.

24 CHAIRMAN KLEIN: CHAIR OF THE REAL ESTATE
25 TECHNICAL SECTION.

1 MS. SAMUELSON: AND THE AGENDA WAS SENT WHEN?
2 MS. KING: IT'S ACTUALLY BEEN SENT A COUPLE
3 OF TIMES.
4 CHAIRMAN KLEIN: AND IT IS POSTED FOR THE
5 PUBLIC FOR THE LAST TEN DAYS.
6 MS. SAMUELSON: DO YOU HAVE A DATE ON?
7 MS. KING: THE LAST TIME THE AGENDA WAS SENT
8 OUT WAS PROBABLY FRIDAY, THIS PAST FRIDAY.
9 CHAIRMAN KLEIN: BUT IT WAS INITIALLY
10 POSTED --
11 MS. KING: TEN DAYS BEFORE TODAY.
12 CHAIRMAN KLEIN: THAT'S RIGHT.
13 MS. KING: IT WAS POSTED ONLINE AND SENT TO
14 THE ICOC AT THAT TIME. IT WAS UPDATED WITH SOME
15 ADDITIONAL SITES ON FRIDAY.
16 CHAIRMAN KLEIN: OKAY. WITH THAT
17 INFORMATION, I BELIEVE WE WOULD PROBABLY HAVE AS MANY
18 PEOPLE ON WHO ARE GOING TO ATTEND. AND, MELISSA, IF
19 YOU WOULD PLEASE READ THE ROLL.
20 MS. KING: RICARDO AZZIZ.
21 DR. AZZIZ: PRESENT.
22 MS. KING: PAUL JENNINGS FOR DAVID BALTIMORE.
23 DR. JENNINGS: HERE.
24 MS. KING: ROBERT PRICE FOR ROBERT BIRGENEAU.
25 DR. PRICE: HERE.

1 MS. KING: DAVID BRENNER.
2 DR. BRENNER: HERE.
3 MS. KING: SUSAN BRYANT.
4 DR. BRYANT: HERE.
5 MS. KING: MARCY FEIT. MICHAEL FRIEDMAN.
6 DR. FRIEDMAN: HERE.
7 MS. KING: MICHAEL GOLDBERG. BRIAN
8 HENDERSON.
9 DR. HENDERSON: HERE.
10 MS. KING: DAVID KESSLER. I KNOW YOU'RE
11 THERE.
12 CHAIRMAN KLEIN: NO. NO. DAVID KESSLER HAS
13 A HEARING AT CONGRESS RIGHT AT THIS MOMENT.
14 MS. KING: HE JOINED US. BOB KLEIN.
15 CHAIRMAN KLEIN: HERE.
16 MS. KING: SHERRY LANSING. GERALD LEVEY.
17 DR. LEVEY: HERE.
18 MS. KING: TED LOVE. RICHARD MURPHY. TINA
19 NOVA. ED PENHOET.
20 DR. PENHOET: HERE.
21 MS. KING: PHIL PIZZO.
22 DR. PIZZO: HERE.
23 MS. KING: CLAIRE POMEROY.
24 DR. POMEROY: HERE.
25 MS. KING: FRANCISCO PRIETO. JOHN REED.

1 DR. REED: HERE.

2 MS. KING: DUANE ROTH.

3 MR. ROTH: HERE.

4 MS. KING: JOAN SAMUELSON.

5 MS. SAMUELSON: HERE.

6 MS. KING: DAVID SERRANO-SEWELL.

7 MR. SERRANO-SEWELL: HERE.

8 MS. KING: JEFF SHEEHY.

9 MR. SHEEHY: HERE.

10 MS. KING: JON SHESTACK.

11 MR. SHESTACK: HERE.

12 MS. KING: OSWALD STEWARD.

13 DR. STEWARD: HERE.

14 MS. KING: JANET WRIGHT.

15 DR. WRIGHT: HERE.

16 DR. KESSLER: I MISSED. IT'S DAVID KESSLER.

17 MY PHONE WAS ON MUTE. SORRY.

18

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1 CHAIRMAN KLEIN: DAVID, THANK YOU VERY MUCH
2 FOR JOINING US. WE KNOW THAT YOU'RE STANDING BY FOR
3 YOUR TESTIMONY. ALL RIGHT. THANK YOU VERY MUCH. MY
4 UNDERSTANDING IS WE DO HAVE A QUORUM. COULD YOU
5 CONFIRM?

6 MS. KING: WE DO.

7 CHAIRMAN KLEIN: THANK YOU. SO OUR FIRST
8 ITEM ON THE AGENDA IS CONSIDERATION OF A CURRENT REAL
9 ESTATE MEMBER OF THE FACILITIES WORKING GROUP AS CHAIR
10 OF THE WORKING GROUP. DAVID LICHTENGER HAS BEEN ON
11 THIS WORKING GROUP FROM THE VERY BEGINNING, SELECTED BY
12 THE SEARCH COMMITTEE FOR THE FACILITIES COMMITTEE.

13 DAVID HAS A LONG BACKGROUND IN REAL ESTATE
14 AND REAL ESTATE DEVELOPMENT WITH SPECIALIZED
15 CONSTRUCTION EXPERIENCE THAT IS HIGHLY VALUABLE TO US
16 AS IT RELATES TO ENGINEERING, TECHNOLOGY, AND INCLUDING
17 10 MILLION SQUARE FEET OF PROJECTS THAT INCLUDE
18 ENGINEERING LABORATORIES, MEDICAL FACILITIES, OFFICE,
19 AND MANUFACTURING FACILITIES, BUT HIS CLIENTS INCLUDE A
20 NUMBER OF PRIVATE AND PUBLIC ENTITIES. HOWEVER, HIS
21 COMPANY IS NOT IN THE BUSINESS IN CALIFORNIA OF
22 PROVIDING SPECIALIZED CONSTRUCTION FOR MEDICAL OR
23 MEDICAL RESEARCH FACILITIES.

24 DAVID'S BIO SHOULD BE POSTED ON THE WEB FOR
25 EVERYONE'S CONSIDERATION. HIS NOMINATION COMES TO US

1 THROUGH RUSTY DOMS, THE FORMER REAL ESTATE CHAIR FROM
2 THAT TECHNICAL SECTION OF THE FACILITIES WORKING GROUP.
3 AND IT COMES TO US WITH THE SUPPORT OF ZACH HALL AND MY
4 SUPPORT AS CHAIR.

5 SO THE QUESTION BEFORE US IS WOULD SOMEONE
6 LIKE TO MAKE OPEN DISCUSSION, OR WOULD SOMEONE LIKE TO
7 NOMINATE, MAKE A MOTION TO APPOINT HIM AS CHAIR FOR THE
8 REAL ESTATE TECHNICAL SECTION? ONCE THERE IS A MOTION,
9 A FULL DISCUSSION IS IN ORDER. IT DOES NOT PREJUDICE
10 THE OUTCOME OF THE ITEM. SO THE QUESTION IS WOULD
11 SOMEONE LIKE TO MAKE A MOTION TO MAKE HIM THE CHAIR OF
12 THE REAL ESTATE TECHNICAL SECTION?

13 DR. POMEROY: SO MOVED.

14 DR. FRIEDMAN: SECONDED.

15 CHAIRMAN KLEIN: WHO'S THE SECOND?

16 DR. FRIEDMAN: MIKE FRIEDMAN.

17 CHAIRMAN KLEIN: DISCUSSION IS IN ORDER FROM
18 THE BOARD MEMBERS. CAN I HAVE A LIST OF ANY BOARD
19 MEMBERS WHO WOULD LIKE TO MAKE COMMENTS? SEEMS THAT'S
20 A NONCONTROVERSIAL ITEM. IF THERE ARE NO COMMENTS, I
21 THINK IT GOES TO THE POINT THAT WE HAVE AN
22 EXTRAORDINARILY WELL QUALIFIED NOMINEE FOR CHAIR WITH
23 THE BACKING OF PEOPLE WHO HAVE WATCHED HIS DEDICATION
24 AND COMMITMENT TO THIS MISSION. AND WE ARE DEEPLY
25 APPRECIATIVE OF THAT COMMITMENT AND THE KNOWLEDGE AND

1 EXPERIENCE HE BRINGS TO THAT TASK.

2 DR. WRIGHT: BOB, THIS JANET. I WOULD JUST
3 LIKE TO HEAR DAVID SERRANO-SEWELL WEIGH IN ON THIS
4 CONSIDERING HIS CO-CHAIR POSITION.

5 CHAIRMAN KLEIN: ALL RIGHT. THANK YOU VERY
6 MUCH. DAVID SERRANO-SEWELL, WOULD YOU LIKE TO MAKE A
7 COMMENT?

8 MR. SERRANO-SEWELL: YEAH. I'LL BE VERY
9 BRIEF. AND THANK YOU, JANET. I'VE HAD TWO OR THREE
10 OPPORTUNITIES TO MEET WITH DAVID AND THE WORKING GROUP
11 STATUS AS ONE OF THE REAL ESTATE EXPERTS. AND ON EACH
12 OCCASION HE HAS SHOWN INSIGHTFUL COMMENTS, LEADERSHIP.
13 HE'S HELPED US STEER THROUGH SOME TRICKY TECHNICAL
14 ISSUES. AND I KNOW THAT WE ON THE WORKING GROUP WILL
15 FEEL VERY COMFORTABLE WITH HIM SERVING AS CHAIR. AND
16 SO TODAY WILL BE THE FIRST TEST WHEN WE DELIVER A WORK
17 PRODUCT TO THE ICOC, BUT WE'RE ALL CONFIDENT THAT DAVID
18 WILL DO AN OUTSTANDING JOB.

19 CHAIRMAN KLEIN: THANK YOU, DAVID. AND I
20 WOULD POINT OUT THAT WHEN RUSTY DOMS NOMINATED DAVID
21 LICHTENGER, DAVID SERRANO-SEWELL IMMEDIATELY STEPPED UP
22 AND ENDORSED THAT AT THE EARLIEST STAGE.

23 SO WITH THAT, IS THERE PUBLIC COMMENT FROM
24 ANY SITE? AND I WOULD LIKE TO GET A LIST OF PEOPLE WHO
25 ARE MAKING PUBLIC COMMENT ON THIS SPECIFIC ITEM OF

1 DAVID LICHTENGER SERVING AS CHAIR. FIRST OF ALL, ARE
2 THERE ANY MEMBERS OF THE PUBLIC WHO WOULD LIKE TO
3 SPECIFICALLY FROM ANY SITE COMMENT ON THIS? JOHN
4 SIMPSON IS STANDING HERE AT THE SITE THAT I'M AT. IS
5 THERE ANYONE ELSE? JOHN SIMPSON, YOU HAVE THE FLOOR.

6 MR. SIMPSON: GOOD MORNING. THANK YOU, MR.
7 CHAIRMAN. JOHN SIMPSON FROM FOUNDATION FOR TAXPAYER
8 AND CONSUMER RIGHTS. THIS MEETING THIS EARLY IN THE
9 MORNING DEFINITELY SHOWS THE COMMITMENT OF THE ENTIRE
10 ICOC, AND YOU'RE ALL TO BE COMMENDED FOR THAT.

11 I JUST SIMPLY WANTED TO SAY THAT IT SEEMS TO
12 ME PRECISELY THE SORT OF INDIVIDUAL THAT SHOULD BE
13 NOMINATED, AND WE'RE DELIGHTED TO SEE HIM BEING
14 NOMINATED AND HOPE HE MAKES A MAJOR CONTRIBUTION.
15 THANK YOU.

16 CHAIRMAN KLEIN: THANK YOU. THAT CONCLUDES
17 PUBLIC COMMENT. ARE THERE ANY OTHER COMMENTS? SEEING
18 NO OTHER DESIRE FOR PUBLIC COMMENT, I'D LIKE TO ASK FOR
19 A ROLL CALL.

20 MS. KING: BEFORE I CALL THE ROLL, JUST FOR
21 THE RECORD, WHO JUST JOINED US A MOMENT AGO?

22 DR. PRIETO: THIS IS FRANCISCO PRIETO.

23 MS. KING: GOOD MORNING, DR. PRIETO. THE
24 ROLL CALL.

25 RICARDO AZZIZ.

1 DR. AZZIZ: FOR.
2 MS. KING: PAUL JENNINGS.
3 DR. JENNINGS: APPROVED.
4 MS. KING: ROBERT PRICE.
5 DR. PRICE: YES.
6 MS. KING: DAVID BRENNER.
7 DR. BRENNER: APPROVE.
8 MS. KING: SUSAN BRYANT.
9 DR. BRYANT: APPROVE.
10 MS. KING: MARCY FEIT. MICHAEL FRIEDMAN.
11 DR. FRIEDMAN: APPROVE.
12 MS. KING: MICHAEL GOLDBERG. BRIAN
13 HENDERSON.
14 DR. HENDERSON: APPROVE.
15 MS. KING: DAVID KESSLER. BOB KLEIN.
16 CHAIRMAN KLEIN: YES.
17 MS. KING: SHERRY LANSING. GERALD LEVEY.
18 DR. LEVEY: YES.
19 MS. KING: RICHARD MURPHY. TINA NOVA. ED
20 PENHOET.
21 DR. PENHOET: YES.
22 MS. KING: PHIL PIZZO.
23 DR. PIZZO: YES.
24 MS. KING: CLAIRE POMEROY.
25 DR. POMEROY: YES.

1 MS. KING: FRANCISCO PRIETO.
2 DR. PRIETO: I'M AFRAID, SINCE I MISSED THE
3 DISCUSSION, I'LL HAVE TO ABSTAIN.
4 MS. KING: JOHN REED. WAS THAT A YES ON DR.
5 REED?
6 DR. REED: YES. THAT WAS YES.
7 MS. KING: DUANE ROTH.
8 MR. ROTH: YES.
9 MS. KING: JOAN SAMUELSON.
10 MS. SAMUELSON: YES.
11 MS. KING: DAVID SERRANO-SEWELL.
12 MR. SERRANO-SEWELL: YES.
13 MS. KING: JEFF SHEEHY.
14 MR. SHEEHY: YES.
15 MS. KING: JONATHAN SHESTACK.
16 MR. SHESTACK: YES.
17 MS. KING: OSWALD STEWARD.
18 DR. STEWARD: YES.
19 MS. KING: JANET WRIGHT.
20 DR. WRIGHT: YES.
21 MS. KING: MOTION CARRIES.
22 CHAIRMAN KLEIN: THANK YOU. THE NEXT ITEM ON
23 OUR AGENDA WILL BE ADDRESSING CONSIDERATION OF THE
24 APPOINTMENT OF AN INTERIM PRESIDENT AND ADDRESSING THE
25 SCIENTIFIC LEADERSHIP FOR THE ORGANIZATION.

1 DR. HALL MADE A RECOMMENDATION THAT I HAVE
2 FULLY ENDORSED AND I BELIEVE IS FULLY SUPPORTED BY DR.
3 PENHOET. I WILL ASK, OF COURSE, DR. PENHOET TO SPEAK
4 FOR HIS OWN POSITION WHEN WE GO TO COMMENTS. BUT THE
5 RECOMMENDATION ON INTERIM LEADERSHIP WAS TO HAVE A
6 CO-EQUAL LEADERSHIP WITH ARLENE CHIU LEADING FROM A
7 POSITION OF CHIEF SCIENTIFIC OFFICER FOR THE SCIENTIFIC
8 EFFORTS OF THE ORGANIZATION AND FOR DR. LORI HOFFMAN --
9 YOU ALMOST GOT PROMOTED TO DOCTOR -- LORI HOFFMAN
10 SERVING AS FOR THE LEADERSHIP OF THE ADMINISTRATIVE AND
11 FINANCIAL AREA OF THE OPERATIONS OF THE ORGANIZATION.

12 BECAUSE WE NEED AN OFFICER DESIGNATED FOR
13 EXECUTION OF DOCUMENTS AND CONTRACTS, LORI HOFFMAN
14 WOULD TECHNICALLY AND LEGALLY BE DESIGNATED AS THE
15 ACTING PRESIDENT UNDER THIS, BUT WE HAVE A CO-EQUAL
16 LEADERSHIP OF SCIENTIFIC AFFAIRS AND OPERATIONS OF THIS
17 AGENCY UNDER THIS PROPOSAL.

18 THIS ITEM BEING A PERSONNEL ITEM WILL BE
19 DISCUSSED HOPEFULLY IN A VERY SHORT PERSONNEL EXECUTIVE
20 SESSION. WE WILL COME BACK INTO AN OPEN SESSION WHERE
21 WE WILL HAVE DISCUSSION AND ANY MOTIONS FOR ACTIONS
22 THAT WILL BE TAKEN IN THE FULL PUBLIC SESSION. SO IF
23 WE COULD NOW GO TO A CLOSED SESSION, THE DISCUSSION OF
24 PERSONNEL WILL BE UNDER GOVERNMENT CODE SECTION
25 11126(A) AND HEALTH AND SAFETY CODE SECTION

1 125290.30(D)(3)(D). IF YOU CAN PLEASE HANG UP FROM
2 THIS CALL, WE WILL ASK THE MEMBERS OF THE PUBLIC TO
3 STEP OUT FOR APPROXIMATELY 15 MINUTES, AND WE WILL HOPE
4 TO RECONVENE THIS MEETING IMMEDIATELY WITH ACTION
5 FOLLOWING IMMEDIATELY.

6 MS. KING: I JUST WANTED TO MAKE SURE THAT
7 EVERYBODY ON THE LINE HAS THE DIAL-IN INFORMATION FOR
8 THE CLOSED SESSION. ALL BOARD MEMBERS ON THE LINE HAVE
9 THAT INFORMATION, CORRECT?

10 CHAIRMAN KLEIN: ALL RIGHT. SO WE WILL
11 IMMEDIATELY TAKE THAT ACTION. THANK YOU.

12 (THE BOARD THEN WENT INTO CLOSED
13 SESSION, NOT REPORTED, NOR HEREIN TRANSCRIBED.)

14 CHAIRMAN KLEIN: WE NEED TO CALL THE ROLL
15 HERE AS WE RECONVENE.

16 MS. KING: RICARDO AZZIZ.

17 DR. AZZIZ: PRESENT.

18 MS. KING: PAUL JENNINGS.

19 DR. JENNINGS: HERE.

20 MS. KING: ROBERT PRICE.

21 DR. PRICE: PRESENT.

22 MS. KING: DAVID BRENNER.

23 DR. BRENNER: HI. I WAS MUTED.

24 MS. KING: DAVID BRENNER PRESENT. SUSAN
25 BRYANT.

1 DR. BRYANT: HERE.

2 MS. KING: MARCY FEIT. MICHAEL FRIEDMAN.

3 DR. FRIEDMAN: HERE.

4 MS. KING: MICHAEL GOLDBERG. BRIAN

5 HENDERSON.

6 DR. HENDERSON: HERE.

7 MS. KING: DAVID KESSLER. BOB KLEIN.

8 CHAIRMAN KLEIN: HERE.

9 MS. KING: SHERRY LANSING. GERALD LEVEY.

10 DR. LEVEY: HERE.

11 MS. KING: TED LOVE. RICHARD MURPHY. TINA

12 NOVA. ED PENHOET.

13 DR. PENHOET: HERE.

14 MS. KING: PHIL PIZZO.

15 DR. PIZZO: HERE.

16 MS. KING: CLAIRE POMEROY.

17 DR. POMEROY: HERE.

18 MS. KING: FRANCISCO PRIETO.

19 DR. PRIETO: HERE.

20 MS. KING: JOHN REED.

21 DR. REED: HERE.

22 MS. KING: DUANE ROTH.

23 MR. ROTH: HERE.

24 MS. KING: JOAN SAMUELSON.

25 MS. SAMUELSON: HERE.

1 MS. KING: DAVID SERRANO-SEWELL.
2 MR. SERRANO-SEWELL: HERE.
3 MS. KING: JEFF SHEEHY.
4 MR. SHEEHY: HERE.
5 MS. KING: JON SHESTACK.
6 MR. SHESTACK: HERE.
7 MS. KING: OSWALD STEWARD.
8 DR. STEWARD: HERE.
9 MS. KING: JANET WRIGHT.
10 DR. WRIGHT: HERE.
11 MS. KING: MARCY FEIT.
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1 MS. FEIT: HERE.

2 CHAIRMAN KLEIN: HAVE WE REASSEMBLED THE
3 QUORUM?

4 MS. KING: YES.

5 CHAIRMAN KLEIN: WITH THE QUORUM REASSEMBLED,
6 I'D LIKE TO REPORT THAT THE INTERIM LEADERSHIP
7 STRUCTURE WAS CONSIDERED IN THE PERSONNEL SESSION. WE
8 WOULD LIKE TO TAKE ACTION NOW IN OPEN SESSION, IF IT IS
9 THE PLEASURE OF THE BOARD. TO REVIEW, THIS IS A
10 CO-EQUAL LEADERSHIP OF THE SCIENTIFIC LEADERSHIP AND
11 THE FINANCIAL, ADMINISTRATIVE, AND OPERATIONAL
12 LEADERSHIP OF THIS AGENCY. THIS LEADERSHIP STRUCTURE
13 IS SUPPORTED BOTH BY DR. HALL AND BY ME AND WORKED OUT
14 IN A TEAM EFFORT, AND IT ALSO INVOLVED THE LEADERSHIP
15 OF DR. ED PENHOET.

16 THIS LEADERSHIP STRUCTURE HAS DR. ARLENE CHIU
17 BEING ELEVATED TO THE POSITION OF INTERIM CHIEF
18 SCIENTIFIC OFFICER. SHE HAS SOME ADDITIONAL LEADERSHIP
19 POSITIONS THAT SHE INTENDS TO MAKE WITHIN THE
20 SCIENTIFIC OFFICE, BUT WE WILL ONLY BE ACTING
21 SPECIFICALLY ON DR. ARLENE CHIU'S POSITION. DR. ARLENE
22 CHIU IS HOLDING UNDER THIS LEADERSHIP STRUCTURE ONE OF
23 THE TITLES THAT WAS PREVIOUSLY HELD BY DR. HALL. DR.
24 HALL WAS BOTH THE PRESIDENT AND THE CHIEF SCIENTIFIC
25 OFFICER. UNDER THIS STRUCTURE DR. ARLENE CHIU WILL BE

1 HOLDING THE TITLE OF CHIEF SCIENTIFIC OFFICER ON AN
2 INTERIM BASIS WITH THE BENEFITS OF THAT POSITION.

3 THE ACTING PRESIDENT WILL BE LORI HOFFMAN.
4 LORI HOFFMAN WILL BE LEADING THE OPERATIONS, THE
5 FINANCIAL AND THE ADMINISTRATIVE PORTIONS OF THIS
6 AGENCY UNDER THIS PROPOSAL.

7 WE WOULD LIKE TO CONSIDER THESE INDIVIDUALLY
8 ONE AT A TIME. SO THE QUESTION IS IS THERE A MOTION
9 THAT WOULD SUPPORT THE ELEVATION OF DR. CHIU TO INTERIM
10 CHIEF SCIENTIFIC OFFICER?

11 DR. HENDERSON: SO MOVED.

12 DR. LEVEY: SECOND.

13 CHAIRMAN KLEIN: THE MOTION IS BY BRIAN
14 HENDERSON, SECONDED BY DR. LEVEY. ALL RIGHT. IS THERE
15 ANY DISCUSSION BY THE BOARD ON THAT MOTION? ANY
16 DISCUSSION BY THE PUBLIC ON THAT MOTION? FROM THIS
17 LOCATION WE HAVE JOHN SIMPSON. IS THERE ANY PUBLIC
18 FROM ANY OTHER LOCATION THAT WOULD LIKE TO COMMENT ON
19 THIS MOTION? JOHN SIMPSON, YOU HAVE THE FLOOR.

20 MR. SIMPSON: THANK YOU VERY MUCH. JOHN
21 SIMPSON, FOUNDATION FOR TAXPAYER AND CONSUMER RIGHTS.
22 TWO QUICK QUESTIONS. HOW LONG DO WE ANTICIPATE THE
23 INTERIM APPOINTMENT WILL LAST? AND DID I UNDERSTAND
24 THAT BECAUSE SHE WILL BE GETTING ADDITIONAL
25 RESPONSIBILITIES, SHE WILL BE APPROPRIATELY -- THAT

1 WILL BE APPROPRIATELY REFLECTED IN HER SALARY? IN
2 OTHER WORDS, WILL SHE GET THE RAISE THAT SHE'S DUE?

3 CHAIRMAN KLEIN: AT THIS LEVEL THERE'S A
4 DIFFERENT SALARY RANGE, AND THE PRESIDENT AND DR. CHIU
5 WILL WORK WITHIN THAT SALARY RANGE. AND I THINK THEY
6 HAVE A GOOD UNDERSTANDING TO MAKE CERTAIN THAT SHE IS
7 COMPENSATED WITH THE GREAT LEADERSHIP CONTRIBUTION
8 SHE'S MADE IN THE SCIENTIFIC AREA. ANY OTHER COMMENTS?

9 DR. PIZZO: THE LENGTH OF TIME, BOB, YOU MAY
10 WANT TO COMMENT ON.

11 CHAIRMAN KLEIN: THE INTENT OF THE BOARD IS
12 TO INTERVIEW THE FINALISTS ON THE JUNE 5TH MEETING. IT
13 MAY TAKE THREE OR FOUR MONTHS AFTER THAT TIME OR
14 LONGER, DEPENDING ON THE CANDIDATE AND THEIR
15 TRANSITION, BUT IT IS CERTAINLY SOMETHING THAT WILL BE
16 ADDRESSED WITHIN THE NEXT FIVE TO SIX MONTHS. BUT THE
17 INTENT IS TO MAKE THE DECISION RELATIVELY SOON, BUT
18 HOPEFULLY WITHIN FOUR TO FIVE MONTHS, IF WE HAVE OUR
19 BEST RESULT, THE NEW PRESIDENT WOULD BE IN PLACE.
20 OKAY.

21 ANY ADDITIONAL COMMENTS? I'D LIKE TO CALL
22 THE ROLL.

23 MS. KING: RICARDO AZZIZ.

24 DR. AZZIZ: APPROVED.

25 MS. KING: PAUL JENNINGS.

1 DR. JENNINGS: APPROVED.
2 MS. KING: ROBERT PRICE. DAVID BRENNER.
3 DR. BRENNER: APPROVE.
4 MS. KING: SUSAN BRYANT.
5 DR. BRYANT: APPROVED.
6 MS. KING: MARCY FEIT.
7 MS. FEIT: APPROVE.
8 MS. KING: MICHAEL FRIEDMAN.
9 DR. FRIEDMAN: YES.
10 MS. KING: BRIAN HENDERSON.
11 DR. HENDERSON: YES.
12 MS. KING: BOB KLEIN.
13 CHAIRMAN KLEIN: YES.
14 MS. KING: GERALD LEVEY.
15 DR. LEVEY: YES.
16 MS. KING: TINA NOVA. ED PENHOET.
17 DR. PENHOET: YES.
18 MS. KING: PHIL PIZZO.
19 DR. PIZZO: YES.
20 MS. KING: CLAIRE POMEROY.
21 DR. POMEROY: YES.
22 MS. KING: FRANCISCO PRIETO.
23 DR. PRIETO: YES.
24 MS. KING: JOHN REED.
25 DR. REED: YES.

1 MS. KING: DUANE ROTH.
2 MR. ROTH: YES.
3 MS. KING: JOAN SAMUELSON.
4 MS. SAMUELSON: YES.
5 MS. KING: DAVID SERRANO-SEWELL.
6 MR. SERRANO-SEWELL: YES.
7 MS. KING: JEFF SHEEHY.
8 MR. SHEEHY: YES.
9 MS. KING: JON SHESTACK.
10 MR. SHESTACK: YES.
11 MS. KING: OSWALD STEWARD.
12 DR. STEWARD: YES.
13 MS. KING: JANET WRIGHT.
14 DR. WRIGHT: YES.
15 MS. KING: MOTION CARRIES.
16 CHAIRMAN KLEIN: THANK YOU. IS THERE A
17 MOTION TO NAME AS ACTING PRESIDENT LORI HOFFMAN WITH AN
18 INTERIM STIPEND FOR THIS PERIOD AT \$4,000 A MONTH
19 DURING THIS PERIOD TO REFLECT THE ADDITIONAL
20 RESPONSIBILITY SHE WILL HAVE DURING THIS PERIOD?
21 DR. PIZZO: SO MOVED.
22 MS. SAMUELSON: SECOND.
23 CHAIRMAN KLEIN: THANK YOU. COMMENT FROM THE
24 BOARD? COMMENT --
25 DR. JENNINGS: PAUL JENNINGS. ONE COMMENT.

1 I THINK YOU MEANT AN ADDITIONAL STIPEND, NOT STIPEND.
2 CHAIRMAN KLEIN: AN ADDITIONAL STIPEND OF
3 FOUR THOUSAND A MONTH FOR THIS PERIOD, YES. PUBLIC
4 COMMENT? SEEING NO PUBLIC COMMENT HERE, IS THERE
5 PUBLIC COMMENT ELSEWHERE? MELISSA KING, COULD YOU CALL
6 THE ROLL.
7 MS. KING: RICARDO AZZIZ.
8 DR. AZZIZ: FOR.
9 MS. KING: PAUL JENNINGS.
10 DR. JENNINGS: APPROVE.
11 MS. KING: ROBERT PRICE.
12 DR. PRICE: APPROVE.
13 MS. KING: DAVID BRENNER.
14 DR. BRENNER: APPROVE.
15 MS. KING: SUSAN BRYANT.
16 DR. BRYANT: APPROVE.
17 MS. KING: MARCY FEIT.
18 MS. FEIT: APPROVE.
19 MS. KING: MICHAEL FRIEDMAN.
20 DR. FRIEDMAN: YES.
21 MS. KING: BRIAN HENDERSON.
22 DR. HENDERSON: YES.
23 MS. KING: BOB KLEIN.
24 CHAIRMAN KLEIN: YES.
25 MS. KING: GERALD LEVEY.

1 DR. LEVEY: YES.
2 MS. KING: ED PENHOET.
3 DR. PENHOET: YES.
4 MS. KING: PHIL PIZZO.
5 DR. PIZZO: YES.
6 MS. KING: CLAIRE POMEROY.
7 DR. POMEROY: YES.
8 MS. KING: FRANCISCO PRIETO.
9 DR. PRIETO: YES.
10 MS. KING: JOHN REED.
11 DR. REED: YES.
12 MS. KING: DUANE ROTH.
13 MR. ROTH: YES.
14 MS. KING: JOAN SAMUELSON.
15 MS. SAMUELSON: YES.
16 MS. KING: DAVID SERRANO-SEWELL.
17 MR. SERRANO-SEWELL: YES.
18 MS. KING: JEFF SHEEHY.
19 MR. SHEEHY: YES.
20 MS. KING: JONATHAN SHESTACK.
21 MR. SHESTACK: YES.
22 MS. KING: OSWALD STEWARD.
23 DR. STEWARD: YES.
24 MS. KING: JANET WRIGHT.
25 DR. WRIGHT: YES.

1 CHAIRMAN KLEIN: THE MOTION PASSES. AND I
2 WOULD LIKE TO COMMEND THE OPERATIONAL TEAM AND THE
3 SCIENTIFIC TEAM OF THIS AGENCY, AND INDICATE TO THE
4 SCIENTIFIC TEAM THAT DR. CHIU HAS SPOKEN EXTREMELY
5 HIGHLY OF THE PERFORMANCE OF THE SCIENTIFIC TEAM AND
6 CLEARLY INTENDS TO ELEVATE POSITIONS AND REWARD
7 POSITIONS THERE FOR THEIR DEDICATION. AND FOR THE
8 OPERATIONS TEAM, LORI HOFFMAN HAS SPOKEN VERY HIGHLY OF
9 THE OPERATIONS TEAM AND THEIR TREMENDOUS DEDICATION AND
10 PERFORMANCE. SO THANK YOU. THANK ALL OF YOU.

11 I WOULD LIKE TO GO TO OUR NEXT AGENDA ITEM.
12 THIS AGENDA ITEM IS CONSIDERATION OF THE FACILITIES
13 WORKING GROUP MOTION TO HOLD PUBLIC HEARINGS. THIS IS
14 AN ITEM THAT COMES RECOMMENDED TO THE ICOC BY UNANIMOUS
15 VOTE OF THE FACILITIES WORKING GROUP.

16 AND THE INTENT OF THIS ITEM BY THIS GROUP, IN
17 SUMMARY FORM -- AND WE WILL ASK DAVID LICHTENGER, AS
18 CHAIR, AND WE WILL ASK MEMBERS OF THAT GROUP TO
19 OTHERWISE ADDRESS IT. IT WOULD BE GREAT IF SOMEONE
20 COULD INDICATE TO DAVID LICHTENGER THIS ITEM IS UP AND
21 HE'S ON HIS WAY IN.

22 THE PRIMARY GOAL OF THESE PUBLIC HEARINGS IS
23 THAT IN A SHORT PERIOD OF TIME TO ASSEMBLE PUBLIC
24 HEARINGS WHERE THE PUBLIC, WHERE MAJOR FACILITIES
25 OFFICERS, AND CFO'S FROM POTENTIAL GRANTEEES AND OTHER

1 CIVIC GROUPS COULD COME AND ASK KEY QUESTIONS FOR
2 DEFINITIONS AND FOR REFINEMENT OF THREE SPECIFIC AREAS
3 SO WE CAN HAVE A SUCCESSFUL RFA FOR \$222. THOSE THREE
4 AREAS THAT THEY'VE BEEN FOCUSED ON IS DEFINITIONS; FOR
5 EXAMPLE, WHAT QUALIFIES AS A MATCHING GRANT; RULES, FOR
6 EXAMPLE, IF YOU APPLY FOR A SHARED FACILITY, CAN YOU
7 ALSO APPLY FOR A FACILITY FOR YOUR SPECIFIC INSTITUTION
8 AS WELL; AND POLICIES, FOR EXAMPLE, HOW DO WE EVALUATE
9 AND BALANCE THE ISSUE OF A COST PER SQUARE FOOT OF
10 FACILITIES? SHOULD COST ALLOWANCES BE ADJUSTED FOR
11 VERY HIGH COST AREAS AND FOR MEDIUM AND MIDRANGE
12 BUILDING CONSTRUCTION IN HIGH COST AREAS VERSUS LOWER
13 COST AREAS WHERE ONE-STORY CONSTRUCTION MIGHT BE
14 POSSIBLE. OR WHAT IS OUR POLICY TO MAKE SURE THAT
15 THERE'S VALUE? HOW DO WE VIEW ANY LEVERAGE THAT IS
16 BROUGHT TO THE TABLE BY INSTITUTIONS IN BEING ABLE TO
17 EXPAND THE NUMBER OF INSTITUTIONS THAT WE CAN SERVE?

18 BY HAVING INPUT ON THOSE ITEMS, IT'S HOPEFUL
19 THAT -- THE COMMITTEE BELIEVE THAT WE COULD BRING
20 TOGETHER A MORE REFINED SET OF CRITERIA FOR
21 RECOMMENDATION TO THE BOARD. FINAL DECISIONS ARE MADE
22 AT THE BOARD ON THE CRITERIA.

23 JAMES HARRISON, IN BEGINNING THIS ITEM, IF
24 YOU COULD READ FROM THE INITIATIVE ON THE
25 RESPONSIBILITIES OF THIS COMMITTEE IN ITS PRIMARY

1 MISSION AS TO THIS ITEM.

2 MR. HARRISON: SURE. IN THIS PARTICULAR
3 REGARD, THE FACILITIES WORKING GROUP IS CHARGED WITH
4 MAKING RECOMMENDATIONS TO THE ICOC ON INTERIM AND FINAL
5 CRITERIA, REQUIREMENTS, AND STANDARDS FOR APPLICATIONS
6 FOR AND THE AWARDING OF GRANTS AND LOANS FOR BUILDINGS,
7 BUILDING LEASES, AND CAPITAL EQUIPMENT. AND THEN THE
8 LAW ENUMERATES THE TYPES OF STANDARDS AND REQUIREMENTS
9 THAT THE FACILITIES WORKING GROUP IS REQUIRED TO
10 CONSIDER AND RECOMMEND TO THE ICOC.

11 CHAIRMAN KLEIN: OKAY. AND IN THE DISCUSSION
12 WITH THIS GROUP, AND IN INTRODUCING DAVID LICHTENGER AS
13 THE CHAIR, I WOULD INDICATE THAT IN DISCUSSIONS ON
14 THESE OBJECTIVES WITH LORI HOFFMAN, SHE HAS INDICATED
15 THAT SINCE WE, EVEN THOUGH THE GROUP WANTS TO COME BACK
16 TO THE BOARD WITH THE RECOMMENDATIONS THAT WOULD HAVE
17 BEEN BROUGHT TO THE BOARD ON JUNE 5TH, AT AN EARLIER
18 DATE THAN THE AUGUST 5TH MEETING, THERE IS NO JULY
19 MEETING, SO IT WOULD BE APPROXIMATELY A 60-DAY DELAY TO
20 GET TO THE AUGUST 5TH MEETING TO HAVE ALL OF THIS
21 INFORMATION INTEGRATED INTO THE CONCEPTUAL RFA THAT
22 WOULD BE BROUGHT BACK ON AUGUST 5TH AS VERSUS JUNE 5TH.

23 DAVID, WOULD YOU ADDRESS THIS ITEM, PLEASE.

24 MR. LICHTENGER: SPECIFICALLY WOULD YOU LIKE
25 ME TO ADDRESS THE IDEA OF HAVING PUBLIC HEARINGS AS A

1 WAY OF ALLOWING THE PUBLIC TO HAVE AN OPPORTUNITY TO
2 COMMENT ON THE PROCESS? OKAY. YOU KNOW, I FEEL
3 STRONGLY THAT PROBABLY THE MOST IMPORTANT PRIORITY AS
4 CHAIR OF THE FACILITIES WORKING GROUP WILL BE TO ENSURE
5 THAT THERE'S AS FAIR AND RESPONSIBLE A PROCESS AS
6 POSSIBLE IN TERMS OF SPENDING THE GRANT MONEY.
7 OBVIOUSLY WE WANT TO TRY TO MAKE THIS PROCESS AS
8 EXPEDITIOUS AS POSSIBLE, BUT I THINK THAT THE CITIZENS
9 OF CALIFORNIA WOULD FEEL VERY, VERY STRONGLY IN MAKING
10 SURE THAT WE ENSURE A COMPLETE AND THOROUGH PUBLIC
11 INVESTIGATION OF THE DUE DILIGENCE AND PROCESS THAT
12 WE'RE GOING TO BRING TO BEAR ON THESE LARGER GRANTS.

13 AND I THINK WE NEED THAT TIME AND THAT
14 ABILITY FOR THE PUBLIC TO GIVE THEIR OPINIONS AND STATE
15 THEIR OBJECTIVES DURING THE PROCESS.

16 CHAIRMAN KLEIN: ALL RIGHT. MARCY FEIT, AS A
17 MEMBER OF THE COMMITTEE, HAS ASKED TO ADDRESS THIS
18 ITEM.

19 MS. FEIT: YES. THANK YOU. I BELIEVE THAT
20 IN ALL OF THE WORK THAT THE INSTITUTE HAS DONE FROM THE
21 STANDARDS WORKING GROUP TO THE OTHER WORKING GROUPS,
22 WE'VE ALWAYS HAD A PROCESS WHERE WE DID PUBLIC INTAKE,
23 AND THAT WAS TO BE, NO. 1, VERY TRANSPARENT ABOUT THE
24 WORK THAT THE INSTITUTE IS DOING, BUT TO MAKE SURE THAT
25 WE HAD SOLICITED WORLDWIDE EXPERTISE, IF NOT EXPERTISE

1 WITHIN OUR OWN STATE, AND TO MAKE SURE THAT THE GENERAL
2 PUBLIC HAD AN OPPORTUNITY TO COMMENT ON OUR PROCESS.

3 AND I FEEL STRONGLY THAT BUILDING FACILITIES
4 AND SPENDING THE KIND OF MONEY THAT WE'RE GOING TO
5 SPEND, IT WOULD BE VERY IMPORTANT TO HAVE A VERY
6 TRANSPARENT PROCESS AND TO CONTINUE IN THE MANNER IN
7 WHICH THE INSTITUTE HAS BEEN CONDUCTING ITS BUSINESS,
8 AND THAT'S TO HAVE OPEN DISCUSSION WITH THE PUBLIC
9 ABOUT OUR PROCESS.

10 WE ALSO FEEL STRONGLY THE SENSE OF URGENCY.
11 WE WANT TO GET THESE FACILITIES GOING, BUT I THINK WE
12 CAN DO THIS IN A TIMELY MANNER, AND I THINK IT WILL BE
13 VERY IMPORTANT IN THE FUTURE TO SUBSTANTIATE THE
14 CREDIBILITY OF THE INSTITUTE ONGOINGLY, THAT WE HAVE AN
15 OPEN PROCESS THAT THE COMMUNITY AND THE PUBLIC CAN
16 COMMENT ON.

17 CHAIRMAN KLEIN: ALL RIGHT. ARE THERE OTHER
18 MEMBERS OF THAT COMMITTEE WHO WOULD LIKE TO COMMENT,
19 AND THEN I'M GOING TO GO AND GET A LIST OF MEMBERS FROM
20 THE BOARD WHO WOULD LIKE TO COMMENT. ANY OTHER MEMBER
21 FROM THAT COMMITTEE AT THIS TIME?

22 DR. WRIGHT: I WILL JUST ECHO MARCY'S
23 COMMENTS SAYING WHAT I LEARNED IN THAT FACILITIES
24 WORKING GROUP MEETING IS THAT OUR BOARD GAINED A GREAT
25 DEAL OF CONFIDENCE IN THE PROCESS THAT WE FOLLOWED IN

1 OTHER AREAS, IF IT'S IP POLICY OR THE STANDARDS,
2 MEDICAL AND ETHICAL STANDARDS. AND I THINK WE STARTED
3 WANTING THAT SAME SORT OF PROCESS TO OCCUR WITH THE
4 FACILITIES, STILL KEEPING THE ACCELERATOR DOWN AS MUCH
5 AS POSSIBLE TO MOVE FORWARD. WE UNDERSTAND HOW
6 CRITICALLY IMPORTANT IT IS TO CREATE SPACE FOR NEW
7 RESEARCHERS.

8 CHAIRMAN KLEIN: ALL RIGHT. AND IN MOVING TO
9 OTHER MEMBERS OF THE BOARD, I WANT TO MAKE SURE
10 EVERYONE UNDERSTANDS THAT THIS PUBLIC PROCESS INCLUDES,
11 VERY PARTICULARLY, FACILITIES MANAGERS AND CHIEF
12 FINANCIAL OFFICERS. WE LEARNED IN THE SHARED
13 FACILITIES LAB PROCESS THAT THERE IS A GREAT DEAL OF
14 REFINEMENT THAT WE COULD PROFIT ON TO MAKE SURE WE'VE
15 GOT VERY ACUTE UNDERSTANDINGS OF THE REQUIREMENTS
16 BEFORE WE GO OUT WITH A \$220 MILLION RFA BECAUSE THE
17 POSTED COMMENTS SHOW ON THE SHARED FACILITIES LABS THAT
18 THERE WASN'T CLARITY AT A LEVEL NECESSARY FOR THESE KEY
19 PERSONNEL THAT HAVE TO FULFILL THE TASK OF HAVING A
20 COMPLETE APPLICATION, AND THE GOAL IS TO MAKE SURE THEY
21 HAVE ALL THE INFORMATION AND CAN ASK ALL THE QUESTIONS
22 IN A PUBLIC FORMAT THAT THEY WISH ALONG WITH OTHER
23 CIVIC AND PUBLIC GROUPS.

24 SO MEMBERS OF THE BOARD, ANY MEMBERS OF THE
25 BOARD, I'LL MAKE A LIST OF ANYONE WHO WOULD LIKE TO

1 COMMENT.

2 MR. ROTH: DUANE ROTH.

3 DR. PIZZO: PHIL PIZZO.

4 DR. HENDERSON: BRIAN HENDERSON.

5 CHAIRMAN KLEIN: WE'LL START WITH DUANE ROTH.

6 MS. SAMUELSON: THIS IS JOAN SAMUELSON. I

7 DIDN'T SPEAK. I WAS ECHOING THE VIEWS OF THE OTHERS ON

8 THE WORKING GROUP. I RESERVE THE OPPORTUNITY TO

9 COMMENT.

10 CHAIRMAN KLEIN: AND I WOULD TAKE IT THAT DR.

11 KESSLER IS NOW TESTIFYING. HE'S NOT ON MUTE. IS THAT

12 A CORRECT STATEMENT? FOR THE RECORD, BECAUSE HE CANNOT

13 VOTE, DR. KESSLER WANTED TO COMMUNICATE THAT HE WAS

14 HIGHLY SUPPORTIVE OF THE PUBLIC PROCESS TO HELP REFINE

15 THESE CRITERIA IN THIS PROPOSED 60-DAY PERIOD. DUANE

16 ROTH.

17 MR. ROTH: GIVEN WHERE WE'RE AT AND THE LOGIC

18 THAT WAS JUST EXPRESSED IN TERMS OF HOW TO MOVE THIS

19 PROCESS FORWARD, I'M GOING TO MAKE A MOTION THAT WE

20 MOVE FORWARD WITH THE PUBLIC HEARINGS WITH THE

21 OBJECTIVE OF BRINGING THIS TO THE BOARD IN AUGUST. I

22 MAKE THAT MOTION BECAUSE I THINK WE HAVE LEARNED A LOT

23 CERTAINLY ON THE IP COMMITTEE. WE HAD TREMENDOUS INPUT

24 FROM THE PUBLIC THAT HELPED SHAPE THAT POLICY, AND I

25 THINK WE CAN BENEFIT THE SAME WAY HERE. IT'S

1 UNFORTUNATE THAT WE'RE IN A POSITION WHERE WE COULD
2 POTENTIALLY DELAY THINGS BY 60 DAYS, BUT I THINK IF
3 WE'RE REALLY JUDICIOUS ABOUT GETTING THAT INPUT,
4 GETTING IT TURNED AROUND, AND THE REVIEW PROCESS, IT
5 WILL BE THE BEST THING FOR US TO DO.

6 CHAIRMAN KLEIN: IS THERE A SECOND FOR THAT
7 MOTION?

8 DR. LEVEY: I WOULD SECOND THAT, BOB.

9 CHAIRMAN KLEIN: THANK YOU, DR. LEVEY. WE GO
10 TO THE NEXT COMMENT. I BELIEVE THAT'S DR. PIZZO.

11 DR. PIZZO: I'M GOING TO OFFER COMMENTS THAT
12 ARE SIMILAR TO DUANE. I THINK THAT THE WORK THAT'S
13 GONE FORTH, I THINK, IN THE PAST HAS GIVEN EVIDENCE OF
14 THE IMPORTANCE OF TRANSPARENCY.

15 I THINK THE OTHER SIDE OF THIS, HOWEVER, IS
16 THAT WE KNOW THAT WE HAVE A TREMENDOUS OPPORTUNITY
17 AHEAD OF US; AND UNLIKE SOME OF THE OTHER COMMITTEES
18 WHERE THE WORK HAS BEEN DONE AND ITS IMPLEMENTATION CAN
19 HAPPEN RAPIDLY, WHAT HAPPENS WITH REGARD TO FACILITIES
20 IS A LONG LAG FROM THE TIME THAT THE WORK IS COMPLETED
21 AND FACILITIES ARE UP AND RUNNING AND RECRUITMENTS,
22 ETC. CAN BE MADE ACROSS THE STATE TO DO THE WORK THAT'S
23 SO IMPORTANT.

24 I THINK TO ME THE FUNDAMENTAL UNDERPINNING
25 HERE IS AN AFFIRMATION THAT TRANSPARENCY IS IMPORTANT,

1 BUT A REAL FIRM AFFIRMATION THAT WE HAVE TO DO THIS IN
2 RAPID SEQUENCE BECAUSE I THINK TIME HERE IS TRULY OF
3 THE ESSENCE, OR I FEAR THAT THE STATE WON'T BE ABLE TO
4 ATTRACT THE KIND OF WORK THAT WILL BE COMMENSURATE WITH
5 GRANTS THAT ARE BEING GIVEN TO DO THE KIND OF
6 BREAKTHROUGH RESEARCH THAT WE ALL WANT TO SEE HAPPEN.

7 CHAIRMAN KLEIN: THANK YOU. AND, DR. PIZZO,
8 IN THAT CONTEXT, THERE HAVE BEEN DISCUSSIONS WITH LORI
9 HOFFMAN ABOUT THE ABILITY AND SUPPORT FOR HIRING
10 ADDITIONAL PERSONNEL SO THAT THE PROCESSING OF THOSE
11 CAN GO MORE QUICKLY AND HOPEFULLY CUT DOWN ON THE
12 ORIGINAL TIMEFRAME.

13 DR. PIZZO: I THINK THAT ONE OTHER ADDENDUM
14 TO THAT -- THANK YOU FOR THAT -- IS THAT SINCE IT WILL
15 BE AN OPEN FORUM AND INFORMATION CAN BE GATHERED FROM
16 VARIOUS SOURCES IN ADDITION TO FACILITIES MANAGERS, IT
17 MAY BE APPROPRIATE TO HEAR FROM INSTITUTIONAL
18 SCIENTIFIC LEADERS ABOUT WHAT THE OPPORTUNITIES ARE
19 ACROSS THE STATE AS WELL SO THAT THERE IS NOT JUST A
20 WHAT'S THE BUILDING NEED, BUT WHAT'S THE PROGRAMMATIC
21 OPPORTUNITY THAT WILL BE ACHIEVED WHEN BUILDINGS ARE
22 ACTUALLY DONE.

23 CHAIRMAN KLEIN: OKAY. THANK YOU VERY MUCH.
24 DR. HENDERSON.

25 DR. HENDERSON: I'M VERY SUPPORTIVE OF THE

1 MOTION FOR THE PUBLIC HEARINGS. AND THE EXPEDITIOUS
2 PART OF IT, I THINK, IS NECESSARY. AND I THINK -- I
3 URGE EVERYBODY TO MOVE FORWARD AND CONSIDER ALL OF THE
4 ISSUES THAT NEED TO AND MIGHT COME UP IN THE PROCESS OF
5 THE PUBLIC REVIEW AND THE EVENTUAL REVIEW OF THE
6 PROJECTS THEMSELVES, ISSUES RELATED TO DESIGN THAT YOU
7 MENTIONED, COST PER SQUARE FOOT, HOW ALL OF THESE
8 ISSUES ARE GOING TO BE CONSIDERED, POTENTIAL DONOR
9 INPUT AND HOW THAT'S GOING TO BE MANAGED. SO THERE ARE
10 LOTS OF THINGS LIKE THAT I THINK WE NEED GET OUT IN
11 DISCUSSION AND GET SOME FULL DISCLOSURE ON.

12 CHAIRMAN KLEIN: JOAN SAMUELSON.

13 MS. SAMUELSON: I GUESS I'LL JUST ECHO ALL
14 THE COMMENTS THAT HAVE GONE BEFORE. I THINK IN THE
15 COURSE OF THIS BRIEF DISCUSSION, THERE HAVE BEEN MANY
16 SUGGESTIONS FOR AREAS TO COVER, SUCH AS THE
17 PROGRAMMATIC OPPORTUNITY, JUST FOR ONE, WHICH I WOULD
18 THINK WE IN THE WORKING GROUP CAN PROFITABLY USE IN OUR
19 PLANNING FOR THIS HEARING.

20 THE URGENCY WAS VERY MUCH AN ISSUE IN THE
21 DISCUSSION, AND THE REAL ESTATE MEMBERS IN PARTICULAR
22 WERE WELL AWARE OF THAT. I WAS IMPRESSED WITH THEIR
23 CONCERN ABOUT ALL THE COMPETING CONSIDERATIONS THAT WE
24 HAVE TO CONSIDER IN THINKING ABOUT THE LONG-TERM
25 SUCCESS OF THE MISSION AS WELL AS THE IMMEDIATE TIME

1 URGENCY. BUT I THINK THERE ARE SEVERAL COMMENTS THAT
2 WILL HELP US IN OUR PLANNING AND IN EXECUTING IT
3 QUICKLY. THANKS.

4 CHAIRMAN KLEIN: THANK YOU VERY MUCH. ANY
5 MEMBERS OF THE BOARD, ADDITIONAL COMMENTS? FROM THE
6 PUBLIC, I'D LIKE TO MAKE A LIST IF THERE ARE MULTIPLE.
7 ARE THERE ANY OTHER PUBLIC COMMENTS? JOHN SIMPSON IS
8 STANDING HERE. JOHN SIMPSON, YOU HAVE THE FLOOR.

9 MR. SIMPSON: JOHN SIMPSON, FOUNDATION FOR
10 TAXPAYER AND CONSUMER RIGHTS. I'M DELIGHTED TO SEE THE
11 BOARD TAKING THIS VIEW. I THINK YOU CAN MOVE FORWARD
12 WITH DELIBERATE SPEED, AND THE EMPHASIS SHOULD BE
13 CO-EQUALLY ON BOTH OF THOSE THINGS. DELIBERATION HERE
14 IS ESSENTIAL, AND I THINK YOU CAN DO IT IN THE
15 TIMEFRAME THAT YOU NEED TO. AND I'M DELIGHTED TO HEAR
16 THAT YOU FEEL YOU'VE BENEFITED FROM THE PUBLIC INPUT ON
17 OTHER MATTERS LIKE IP AND STANDARDS. AND I'M SURE THIS
18 WILL BE ALL THE BETTER FOR THE FORGE OF PUBLIC POLICY
19 DONE IN A PUBLIC WAY. THANK YOU.

20 CHAIRMAN KLEIN: THANK YOU VERY MUCH. I HAVE
21 NO OTHER COMMENTS. I'D LIKE TO CALL THE ROLL.

22 MS. KING: RICARDO AZZIZ.

23 DR. AZZIZ: APPROVED.

24 MS. KING: PAUL JENNINGS.

25 DR. JENNINGS: APPROVE.

1 MS. KING: ROBERT PRICE.
2 DR. PRICE: APPROVE.
3 MS. KING: DAVID BRENNER.
4 DR. BRENNER: APPROVE.
5 MS. KING: SUSAN BRYANT.
6 DR. BRYANT: YES.
7 MS. KING: MARCY FEIT.
8 MS. FEIT: YES.
9 MS. KING: MICHAEL FRIEDMAN.
10 DR. FRIEDMAN: YES.
11 MS. KING: BRIAN HENDERSON.
12 DR. HENDERSON: YES.
13 MS. KING: BOB KLEIN.
14 CHAIRMAN KLEIN: YES.
15 MS. KING: GERALD LEVEY.
16 DR. LEVEY: YES.
17 MS. KING: ED PENHOET.
18 DR. PENHOET: YES.
19 MS. KING: PHIL PIZZO.
20 DR. PIZZO: YES.
21 MS. KING: CLAIRE POMEROY.
22 DR. POMEROY: YES.
23 MS. KING: FRANCISCO PRIETO.
24 DR. PRIETO: YES.
25 MS. KING: JOHN REED.

1 DR. REED: YES.

2 MS. KING: DUANE ROTH.

3 MR. ROTH: YES.

4 MS. KING: JOAN SAMUELSON.

5 MS. SAMUELSON: YES.

6 MS. KING: DAVID SERRANO-SEWELL.

7 MR. SERRANO-SEWELL: YES.

8 MS. KING: JEFF SHEEHY.

9 MR. SHEEHY: YES.

10 MS. KING: JON SHESTACK.

11 MR. SHESTACK: YES.

12 MS. KING: OSWALD STEWARD.

13 DR. STEWARD: YES.

14 MS. KING: JANET WRIGHT.

15 DR. WRIGHT: YES.

16 CHAIRMAN KLEIN: THANK YOU. THE ITEM PASSES.

17 COUNSEL, ARE THERE ANY OTHER ITEMS WE NEED TO

18 ADDRESS THIS MORNING? THE MEETING STANDS ADJOURNED.

19 DR. POMEROY: WAIT. WAIT. BOB, THIS IS

20 CLAIRE. WE HAVE OTHER PUBLIC COMMENT HERE.

21 CHAIRMAN KLEIN: ALL RIGHT. I'M SORRY. WAS

22 THE PUBLIC COMMENT ON THE LAST ITEM OR A GENERAL PUBLIC

23 COMMENT?

24 DR. POMEROY: OTHER PUBLIC COMMENT.

25 CHAIRMAN KLEIN: OTHER PUBLIC COMMENTS. YES.

1 THANK YOU VERY MUCH, CLAIRE. DR. POMEROY, GREATLY
2 APPRECIATE IT.

3 DR. POMEROY: DON REED IS HERE AT UC DAVIS
4 AND WOULD LIKE TO MAKE A PUBLIC COMMENT.

5 MR. REED: AS YOU GO THROUGH ALL THE
6 NECESSARY STEPS TO MAKE THIS REAL, I HAVE TO MENTION
7 THAT THE ROMAN REED SPINAL CORD INJURY RESEARCH ACT IS
8 UP FOR A HEARING THIS AFTERNOON ON WHETHER OUR FUNDING
9 WILL CONTINUE. AND IT'S SUCH A SMALL AMOUNT OF MONEY,
10 AND WE'RE HAVING TO FIGHT SO HARD TO PROTECT IT, I'M
11 JUST SO GLAD THAT THE PROPOSITION 71 FOUND A DIFFERENT
12 ROUTE FOR FUNDING. AND IT'S BEING PROVEN SO SOUND
13 BECAUSE TO GET A LOUSY MILLION AND A HALF BUCKS, YOU
14 HAVE TO JUMP THROUGH SO MANY HOOPS. SO WISH US LUCK AT
15 4 O'CLOCK THIS AFTERNOON. THANKS.

16 CHAIRMAN KLEIN: GOOD LUCK. AND, DON REED,
17 WE CONGRATULATE YOU ON YOUR TENACITY. BECAUSE OF
18 FUNDING OF THE CHRISTOPHER REEVE CENTER AT UC IRVINE
19 HAS CERTAINLY PROVED TO BE A LEADERSHIP STEP OF GREAT
20 IMPORTANCE TO THE COUNTRY.

21 MR. REED: THANK YOU.

22 CHAIRMAN KLEIN: THANK YOU. THE MEETING IS
23 ADJOURNED.

24 (THE MEETING WAS THEN ADJOURNED AT 08:26
25 A.M.)

REPORTER'S CERTIFICATE

I, BETH C. DRAIN, A CERTIFIED SHORTHAND REPORTER IN AND FOR THE STATE OF CALIFORNIA, HEREBY CERTIFY THAT THE FOREGOING TRANSCRIPT OF THE PROCEEDINGS BEFORE THE INDEPENDENT CITIZEN'S OVERSIGHT COMMITTEE OF THE CALIFORNIA INSTITUTE FOR REGENERATIVE MEDICINE IN THE MATTER OF ITS SPECIAL MEETING HELD AT THE LOCATION INDICATED BELOW

MIYAKO HOTEL
1625 POST STREET
SAN FRANCISCO, CALIFORNIA
AND OTHER TELEPHONIC SITES AS NOTICED
ON
WEDNESDAY, MAY 2, 2007

WAS HELD AS HEREIN APPEARS AND THAT THIS IS THE ORIGINAL TRANSCRIPT THEREOF AND THAT THE STATEMENTS THAT APPEAR IN THIS TRANSCRIPT WERE REPORTED STENOGRAPHICALLY BY ME AND TRANSCRIBED BY ME. I ALSO CERTIFY THAT THIS TRANSCRIPT IS A TRUE AND ACCURATE RECORD OF THE PROCEEDING.

BETH C. DRAIN, CSR 7152
BARRISTER'S REPORTING SERVICE
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SUITE 100
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